

810 KAR 1:007. Owners.

RELATES TO: KRS 230.210-230.360

STATUTORY AUTHORITY: KRS Chapter 13A

NECESSITY, FUNCTION, AND CONFORMITY: To regulate conditions under which thoroughbred racing shall be conducted in Kentucky. The function of this administrative regulation is to outline the requirements for owners.

Section 1. License Required. No horse may be entered or raced in this state unless the owner or each of the part owners has been granted a current owner's license; except that, the authority may, through its licensing committee as provided by 810 KAR 1:003, Section 8, issue a temporary license which shall be valid for entering and racing pending administrative processing and final action by the authority on the owner's license application. No temporary license shall be considered valid later than thirty (30) days after the license application was submitted.

Section 2. Requirements for Owner's License. (1) In addition to administrative regulations applicable to licensees under 810 KAR 1:003, a holder of an owner's license:

(a) Shall be a person, eighteen (18) years or older; provided, however, the authority may grant an owner's license to a person less than eighteen (18) years of age who is a son or daughter of a licensed owner in this state, if the parent thereof holding an owner's license in this state files with the license application of the minor an agreement whereby the parent assumes responsibility for meeting all financial, contractual, or other obligations relating to racing of the applicant son or daughter.

(b) Shall carry workers' compensation insurance covering employees in connection with racing as required by Kentucky law.

(c) Shall own or have under lease a horse eligible to race, and be prepared to prove same upon call of the stewards.

(d) Shall not engage in an activity directly or indirectly involving the racing performance of horses on association grounds owned by others.

(2) The authority may deny, suspend, or revoke an owner's license for the spouse or any member of the immediate family or household, of a person ineligible to be licensed as an owner, unless there is a showing on the part of the applicant or licensed owner, and the authority so finds, that his participation in racing as an owner shall in no way circumvent the intent of the administrative regulation by permitting a person, under the control or direction of a person ineligible for an owner's license, to serve in essence as a substitute for the ineligible person.

(3) A licensed owner or trainer may personally serve as a farrier or jockey for horses he owns or are registered as in his care, provided he has received from the stewards a certification of the licensee's fitness as a competent farrier or jockey.

Section 3. Ownership Disclosure. (1) Licensed owners and licensed trainers shall be held jointly responsible for making a full disclosure of the entire ownership of each horse in their care.

(2) Disclosure under this section shall identify in writing all persons who directly, or indirectly through a lien, lease partnership, corporate stockholding, syndication, or other joint venture, hold any present or reversionary right, title, or interest in and to such horse, and those persons who by virtue of any form of interest may exercise control over or benefit from the racing of the horse. The degree and time of such ownership held by each person shall also be designated.

(3) Disclosure under this section shall be made when registering each horse with the racing secretary upon arrival on association grounds or at time of entry whichever event occurs first and shall be revised immediately upon any subsequent change in the ownership.

(4) Disclosure under this section together with all written agreements, and affidavits setting out

oral agreements, pertaining to the ownership of or rights to a horse, shall be attached to the registration certificate for the horse and filed with the racing secretary, who shall be responsible for the care and security of all papers while the horse is located on association grounds.

(5) Disclosure under this section is made for the benefit of the public and all documents pertaining to the ownership or lease of a horse filed with the racing secretary shall be available for public inspection.

(6) The stewards shall review the ownership of each horse entered to race to insure that each registration certificate is properly endorsed by the transferor to the present owner. The stewards may determine the validity for racing purposes of all leases, transfers, and agreements pertaining to ownership of a horse and may call for adequate evidence of ownership at any time. The stewards may declare ineligible to race any horse, the ownership or control of which, is in question.

Section 4. Joint Ownership. (1) No more than five (5) individual persons may be licensed as owners of a single horse.

(2) If more than five (5) individual persons own interests in a single horse, through a partnership, corporation, syndication, or other joint venture, then those individual persons may designate in writing a member of the partnership, corporation, syndicate, or joint venture to represent the entire ownership of and be responsible for the horse as the licensed owner.

(3) An agreement under this section or lease, shall accompany the application for an owner's license. Each person designated as representing the entire ownership of a horse shall be licensed.

(4) The authority may deny, suspend, or revoke the license of any owner whose ownership of a horse is qualified or limited in part by rights or interests in or to the horse being held or controlled by any other individual person or persons who would be ineligible to be licensed as an owner under 810 KAR 1:003.

Section 5. Program Listing of Owners. Names of all persons licensed as owners of each horse shall be listed in the daily program. If space limitations preclude listing of first names, then at least two (2) initials shall precede surnames. Stable names, or corporate names, registered in other racing jurisdictions may be shown parenthetically, if program space limitations permit. Lessees licensed as owners shall be designated on the program as lessees of each leased horse.

Section 6. Leases. A horse may be raced under lease, provided the lease agreement is annexed to the horse's registration certificate and is approved by the stewards. Validity of a lease for the purposes of racing a horse in this state may be suspended temporarily or voided by the stewards at any time. No lease may be approved by the stewards for racing purposes unless:

(1) Lessee is licensed as an owner;

(2) Each of the signatures of the lessors and lessees on the lease agreement is subscribed and sworn to before a notary public;

(3) Term of the lease is no less than one (1) year, unless sooner terminated by claim or retirement of the horse;

(4) Conditions of the lease specify, as to parties to the lease, whether the horse can be entered in a race to be claimed. If agreeable to lessor that the horse may be entered to be claimed conditions of the lease shall specify the minimum price for which the horse may be entered and the name of the payee of claiming price;

(5) Conditions of the lease specify that upon claim of the horse the lease shall terminate and all rights in and to the horse shall pass to claimant as a bona fide purchaser;

(6) After reviewing the full ownership of the leased horse, and the interests of all persons involved in the lease and the term and conditions of the lease, the stewards in their discretion find that the lease:

(a) Completely divests lessors or sublessors of further control or direction of the racing performance of the horse while under lease; and

(b) The resultant program-listing of lessee would not mislead the betting public by reason of the absence in the program-listing of the name of a person or persons possessing a beneficial interest in the leased horse.

Section 7. Racing Colors. (1) Owners shall be responsible for designing and providing individual racing colors, consisting of jackets and caps of distinctive color and pattern to be worn by jockeys during a race. Racing colors shall be registered with the authority.

(2) Racing colors may be registered for the life of an owner upon payment of a thirty (30) dollar fee. Upon death of a registrant of lifetime racing colors, no application for the same colors shall be accepted by the authority for twelve (12) months, except from members of the family of the deceased owner.

(3) Racing colors other than those registered for life must be registered annually. An application for racing colors shall accompany application for an owner's license.

(4) Registration of racing colors shall be at the discretion of the authority. Disputes as to rights to particular racing colors shall be determined by the authority. The authority may refuse to accept for registration racing colors which:

(a) Are not readily distinguishable by color and pattern from racing colors currently registered in this state or with the Jockey Club of New York;

(b) Include advertising, or promotions, symbols or words, or which otherwise, in the opinion of the authority, are not in keeping with the traditions of the turf.

(5) No horse may be raced in racing colors other than those registered in the name of the horse's owner without special permission of the stewards. If an owner races two (2) or more horses in the same race, jackets shall be identical while caps shall be varied in color or design. Any deviation from registered colors granted by the stewards shall be immediately posted on the public notice board.

(6) Owners and trainers shall be jointly responsible for the condition of racing colors; insuring that they are neat, clean, and in good repair: and that an adequate number of sets of racing colors are placed in the care of the clerk of scales.

(7) The clerk of scales, and the valet serving a jockey, shall be jointly responsible for having the correct jacket and cap on each rider when leaving the jockey room for the paddock.

(8) Racing colors shall not be assignable and registration of racing colors shall be cancelled automatically upon the death or license suspension of an owner.

Section 8. Employees Licensed. No owner or trainer may employ or contract with an unlicensed person to perform an activity on association grounds for which a license is required. An owner shall immediately notify the stewards upon change of trainer during a race meeting.

Section 9. Authorized Agent. A licensed owner may, as a principal, authorize any person, as an agent, to act in the owner's behalf in all matters pertaining to racing in this state and ownership of horses on association grounds, provided by 810 KAR 1:010. A licensed owner, as a principal, shall be jointly liable and responsible with his licensed authorized agent for all acts and omissions of the authorized agent serving in the owner's behalf in a racing matter, until written notification from the owner revoking the agency is received by the authority.

Section 10. Suspension. If the license of an owner is suspended or revoked, no horse owned wholly or in part by the owner shall be permitted to race during such suspension unless the horse is transferred to a licensed owner, and the transfer is approved by the stewards as completely divesting the suspended former owner of control of or benefit from the subsequent racing of the horse.

Section 11. Partnerships. (1) Partnerships shall be registered with the authority. Partnership papers shall set forth the following:

- (a) The name and address of every person having an interest in the horse involved;
- (b) The relative proportion of the interests;
- (c) To whom the winnings are payable;
- (d) In whose name the horse shall run;
- (e) With whom the power of entry and declaration rests;
- (f) The terms of any contingency, lease, or any other arrangement; and
- (g) The names of the horse involved.

(2) Any partner transacting business on behalf of a partnership shall own an interest therein at least equal to that owned by any other partner.

(3) All partnership registrations shall be signed by the principal partner or by his authorized agent.

(4) Any alteration in a recorded partnership shall be reported in writing to the authority and signed by all the partners, or their authorized agent.

(5) All the parties in a partnership and each of them shall be jointly and severally liable for all stakes, fees, and other obligations. (KSRC Ch. 7, 7.01 to.11; 1 Ky.R. 900; eff. 5-14-75; Am. 10 Ky.R. 666; eff. 12-2-83; 18 Ky.R. 1995; eff. 2-19-92; TAm eff. 8-9-2007.)